THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) and (b) During his visit to India in February 2008, the Turkish Foreign Minister had proposed the concept of transportation of crude oil from Turkey to India. More details have been sought from Turkey to establish the techno-economical feasibility of this concept.

Price Stabilization fund for Petro products

1965. SHRI JESUDASU SEELAM: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government is considering to use part of country's $270 billion foreign exchange reserve for creating a price stabilization fund for petroleum products;

(b) if so, the status of decision making for estblishing this fund; and

(c) to what extent this fund can help mitigate the situation?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) No, Sir.

(b) and (c) Do not arise in view of (a) above.

Calculation of under-Recoveries

1966. SHRI VIJAY J. DARDA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that Finance Ministry has expressed concern over rising under-recoveries of oil marketing PSUs and has called for a revision of the method of calculating under-recoveries;

(b) if so, the reasons for flat growth in central revenues from oil industry despite a significant buoyancy in petroleum products (except subsidized oil, diesel, etc.); and

(c) the steps being taken to improve sluggish growth?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) Cost Accounts Branch of Ministry of Finance in consultation with Petroleum Planning & Analysis Cell (PPAC), is carrying out a study of under-recoveries on sensitive petroleum products under various methodologies including trade parity/import parity basis and actual refining cost basis.

(b) and (c) The contribution of petroleum sector for the last three years in respect of customs duty and excise duty is tabulated below:

Rs. crore

	2004-05	2005-06	2006-07	April-Dec'07
Customs Duty	11,697	9,157	10,043	7,804
Excise Duty (including cess on indigenous crude oil)	43.041	52,064	58,821	44,123
TOTAL	54,738	61,221	68,864	51,927